

**Priority Recommendations for BCI Governing Council**  
**Early Impacts Study of a Better Cotton Initiative Project in India (2015-18):**  
**ISEAL Demonstrating and Improving Poverty Impact Project**  
*R. Kumar, V. Nelson, and A. Martin (2019).*

1. **BCI should strengthen its approach to sector transformation in its theory of change, flowing into the design of specific projects.** The study demonstrates that the following are necessary to realize meaningful benefits for farmers to incentivize more consistent and widespread changes in their farming practices:
  - a. improvements in farmer access to services, such as improved access to finance, collective input sourcing and marketing are required to improve farmers' returns and help them to escape indebtedness, improved access to climate services to strengthen climate resilience, and improved access to livelihood diversification opportunities in contexts of climate change.
  - b. producer organizational development is critically important to build viable producer groups that can help deliver such services to farmers, to strengthen internal accountability to members and to increase their bargaining power in the value chain and capacity to engage in direct sales to ginners and to access finance etc;
  - c. affirmative measures on gender equity from the outset, to avoid re-enforcing inequalities and to maximize women's participation in better cotton farming processes and outcomes.
  - d. strengthening the business case via market demand measures and engaging value chain actors for enhanced coordination and sensitization, to increase demand for sustainable cotton, to build support for direct sales opportunities and fair contracts to realize higher benefits for producers, and to tackle over-consumption through circular economy and reduced buying;
  - e. advocacy measures for more supportive national government policies and legislation in consumer and producer countries. Relevant policy issues include social protection, infrastructure, agricultural extension provision, climate information services, regulation of the private sector in agrochemicals, land governance, supportive taxation and procurement policies;
  - f. develop partnerships and learning between development actors to facilitate delivery of services to farmers, enhancing farmer bargaining power, tackling gender equity and child labour issues to support learning, more effective joint responses and advocacy. At a local level, an area-based approach is proposed.
  - g. Invest in monitoring, evaluation and learning systems that include tracking of systemic change: Build up the MEL system to support improvement and enhance BCI impact. This should include assessing transformative change both in area-based projects, but also at national scales and globally. This would begin with setting out the kinds of transformative change that is envisaged and identifying the specific contributions of BCI and those actions that others may need to undertake, which BCI can lobby for. Emergent change indicators should be identified to capture 'early' changes on systemic issues.
  
2. **BCI projects should pilot the adoption of an area-based approach based upon a social learning approach and if successful, seek to roll this out.** A key strength of BCI is in its relatively flexibility for local interpretation responding to local contexts. This study shows that many challenges are both context specific, but also require simultaneous actions by different stakeholder groups to achieve desired goals. Thus, learning, coordination and motivation are needed for success. We suggest piloting an 'area-based' approach, with the following features:
  - a. BCI should invest in bringing together key stakeholders in a geographic target area, ideally prior to project design, but also on a continual periodic basis, to enable joint analysis of problems and development of solutions. This should include projections of future scenarios

- for the geographic area, including the implications of a changing climate, plus biodiversity and land degradation trends.
- b. A social learning approach involves structured facilitation of such learning processes between different kinds of stakeholders, building trust and new relationships, but, done well, can also challenge received wisdom to positive effect, and builds ownership and motivate action, including at policy levels. Overall, this has the potential to improve BCI project implementation.
  - c. A diversity of stakeholders should be supported to participate. All key stakeholders, including farmers, ginners, spinners, buyers from the outset to ensure that diverse perspective are engaged. Farmer representation should include women farmers and marginalized groups. Value chain, government and civil society actors should be involved. By engaging value chain actors, including buyers, there is the potential to support coordination and information sharing along the value chain, but ultimately commercial actors will respond to the strength of the business case in making decisions. Such an approach should involve local authorities and state governments to encourage favourable procurement and policy reforms, which have been shown in wider evidence to advance the effectiveness of sustainability standards by creating a more level playing field. Further, such an approach could help to identify and build area-based partnerships from the outset to address decent work, market and financial linkages.
  - d. The methods for facilitating learning should be tailored to context, designed by participants and reflect their needs: Learning should move beyond workshop-based events, to include field visits and creative approaches to surfacing diverse understandings and solutions, and should seek to unearth the root causes of unsustainable cotton production and systemic responses.
  - e. Initial engagement and on-going reflection for adaptive management: An area-based approach would involve facilitation of initial stakeholder problem analysis and solution identification in an area where BCI intends to intervene, leading to an initial project design. But it is not a one-off process, but it should continue with regular collection of monitoring data linked to regular stakeholder reflections upon the project theory of change to enable adaptive management. Contracts for project implementers should enable such flexibility.
3. **BCI should recognize the climatic challenges faced by farmers and support climate resilience interventions to strengthen farmer resilience, including for some, livelihood diversification away from cotton.** Analysis of climate projections should be a key part of an area-based approach in which stakeholders review climate projections and explore scenarios for the geographic area to understand the implications and options for sustainable cotton farming. BCI should support enhanced access to weather and seasonal forecast information by integrating this in the BCI theory of change (under service provision for farmers) and may require partnerships with meteorological agencies. Exploring livelihood diversification strategies as part of a farming system approach is also important, beyond the focus solely on cotton for all farmers.
  4. **BCI should strengthen project design and implementation. The BCI project theory of change should flow from an area-based approach involving stakeholder participation and social learning.** Project designs should set out how all key components of the agreed theory of change will be delivered and by whom, accompanied by realistic assessments of stakeholder capacity and the time taken to achieve change in poor rural areas that are largely reliant on rainfed agriculture. BCI in each focal country should seek to undertake national level advocacy as well as supporting engagement of state or provincial level governmental bodies, and support value chain coordination. It should facilitate or provide oversight of the area-based approach in specific target areas and support reflection and learning processes to improve implementation on an on-going

basis. Adequate support and oversight should be provided for implementing partners to ensure they have access to key capacities and capabilities, including adequate resources.

5. **BCI should conduct a review of the most effective approaches to agricultural extension and ensure that area-based processes have access to such information to inform project design.**

Given the centrality of agricultural extension to any BCI initiative, it is important to ensure that the most effective approaches are being employed. The approach in the current study did not include strong experiential learning as facilitated in farmer field schools and farmer networks, yet the latter may be more effective in achieving change in contexts where there are strong countervailing forces, in combination with changes in farmers' access to services and bargaining power, such as farmers trapped in debt relations with commission agents and heavily reliant on private input dealers for advice and inputs.

6. **BCI should support market demand-side measures for 'Better Cotton' and seek to demonstrate the business case.**

Key avenues include engaging national and meso-scale government bodies in producing countries- an area-based approach would support coordination amongst such entities either to enforce better cotton standards in a jurisdiction and/or to support scaling via integration into public procurement policies. Changes may be required in policies and regulations, but also engaging buyers is a key strategy, combined with consumer, government and buyer awareness and market-building campaigns in consumer countries. Changing global market trends mean that a focus on Asia is likely to be important in terms of engaging consumers and buyers.